

Work Session
September 16, 2003

The Montgomery County Board of Commissioners met in a work session on Tuesday, September 16, 2003 at 3:30 p.m. A full board was present. *Chairman Maness called the meeting to order and the following was heard:*

Piedmont Triad Partnership

Chairman Watts Carr and Executive Director Don Kirkman from the Piedmont Triad Partnership were present to discuss and answer questions about the Partnership. Mr. Carr gave a history of how Montgomery County became a part of the PTCOG. He said one reason was Hwy 220. Mr. Carr said that Montgomery County is a great asset to the PTCOG. He said it is great to have Montgomery County in the organization because it is rural, not all of our clients are looking for cities. Mr. Carr said the PTCOG provides services for the county and the towns through marketing.

Mr. Kirkman explained the PTCOG is a marketing organization. He said marketing a rural area is hard by itself. He said Montgomery County is a valuable asset to the PTCOG. Mr. Kirkman said the PTCOG has strong research skills that are valuable to the county and to Judy Stevens. He provided the board a packet with examples of marketing materials the organization uses to promote Montgomery County. He said Mrs. Stevens is one of the best directors there is. He said that having Commissioner Corbett on the board and Mrs. Stevens is good.

Commissioner Corbett asked Mr. Carr if he thinks the organization will receive funding next year? Mr. Carr said we have a lot of support in the house and senate.

Commissioner Corbett said the times I have been in the board meetings, Montgomery County was only mentioned one time and that was when I was introduced. He said I asked former Chairman Ted Blake if that was the case when he was on the board, and he said yes. He said you folks are good folks, and don't get me wrong, but what have you done for us lately? Mr. Carr said that is a good question. He said it is probable that Montgomery County hasn't been mentioned because the larger counties have more representation on the board. Mr. Kirkman said the interest in Montgomery County has been more of a "tire kicking". He said this is a nationwide trend.

Commissioner Corbett asked what did you do for us in the roaring 90's? Mrs. Stevens said we were working on Homanit. She also explained that the PTCOG was helpful with computer training and research.

Commissioner Corbett said I just have one request, please don't forget us.

Mr. Carr said clients have dropped 1/3 since the 90's. He said I am not sure what the unemployment is here . . . Mrs. Stevens said 10%. Commissioner Corbett said that is why we should be high on the list. Mr. Carr said this does make our clients more interested.

Mr. Kirkman said there has been some talk of privatizing the Department of Transportation. He said we need to market strengths, not use the same sheet of music.

Presentation by Gerald Poplin – Internet Services

Mr. Gerald Poplin presented the following:

First, I'd like to thank you for taking time to listen to our request. My name is Gerald Poplin. I am the Small Business Center Director for the college and a technical advisor to the county's Rural Internet Access Authority.

That group met on August 6, along with members of the Economic Development Commission, Chamber of Commerce, Montgomery Community College, and Donna Sullivan, representative for the North Carolina Rural Internet Access Authority out of Raleigh, to discuss the importance of broadband internet access and the demographics outlined in the handout before you. It was the opinion of our group that high-speed internet access is now as important to the infrastructure of the county as water and sewer when it comes to attracting industry to our area.

As you can see, our county lags woefully behind the state average for high-speed internet access availability. At this time, only 48.8% of our citizens have access to any form of broadband internet service. The two forms currently available being DSL and cable. DSL is targeted at urban areas and customers have to be within 17,000 ft. of the switch to be eligible for service. Cable, however, doesn't have this distance restriction, and is a better solution for rural areas, like most of Montgomery County. So it is the form of service on which our group has focused their attention.

After meeting with representatives of Time Warner cable, we were able to identify several areas that had contributed to our lack of service. The most important being the fact that 3 different divisions of Time Warner Cable converge in Montgomery County; Greensboro, Charlotte, and Raleigh. The problem here being that since neither division had total control of the county market, none were willing to make the investment to serve the entire county. I should point out, however, that Time Warner Greensboro has done a very good job in the north-eastern portion of the county and has expressed an interest in taking over the entire county and providing service to all of its citizens.

It was suggested by them that they could use fiber optic cable to bring service from existing nodes in Biscoe to somewhere near the city limits of Troy, possibly the college, and from there use line of site technology to provide service to major areas of population density. This would allow the most people access to broadband internet in the quickest fashion. And, this can be accomplished with no capital outlay by the county.

So what we are asking is the following:

- The Montgomery County commission send a letter to Time Warner Corporate requesting that our county be consolidated into a single division of Time Warner, preferably Greensboro.
- After that is accomplished, ask Time Warner for a proposal to provide countywide internet access.

Discussion of Water Policies/Twin Harbor

Mr. Matthews said several water issues have come up recently and the water department has done some research. Mr. Matthews asked how many people at Twin Harbor have two lots with water taps and are only using one? Mrs. Haywood from the water department said 21. Mr. Matthews said asked John Everette from the water plant if they could physically disconnect the tap and asked how much it would cost. He said Mr. Everette told him they could disconnect the tap for around \$35. Commissioner Morris said if we do this, we will open up a can of worms. Mrs. Haywood said if we do this at Twin Harbor those from Water District I and Water District II will be coming in and requesting this. Commissioner Corbett agreed.

Commissioner Knight asked how many are using both. Mrs. Haywood said she wasn't sure.

Commissioner Knight said didn't we run the lines into these areas because of the number of signups?

Mrs. Haywood said there are 77 people that are not paying their water bills. Commissioner Bostic asked if there is a meter in their tap? Mrs. Haywood said yes.

Mr. Tim Carpenter said Twin Harbor is different. They paid a \$300 assessment. He said the assessment helped pay for the lines. He said they did not agree to pay the \$10 minimum. Mrs. Haywood and Laura Morton said yes they did.

Chairman Maness said those at Twin Harbor that have purchased a second lot have purchased it for more space. Mr. Matthews said that is what we are fighting them about.

Commissioner Bostic said if they helped pay for the original cost, he doesn't see why they should pay. It was more economical then than now. Chairman Maness agreed that Twin Harbor is a different situation. Commissioner Corbett said they would pay.

The discussion changed to water lines on roads without fire hydrants.

Mr. Carpenter said that the lines that were ran with USDA money, after they designed the water line, USDA had to approve it and if they saw a line that was unfeasible, then they requested it be changed. Commissioner Morris said we shouldn't run anything less than a 4" line. Mr. Carpenter said some roads are not feasible to run larger lines because the water department would be constantly going out and flushing the lines and that is water that is being wasted.

Commissioner Morris said if we do this people will holler. Chairman Maness said I don't see why they would, Twin Harbor is different. Commissioner Knight said he agrees with Commissioner Maness.

Chairman Maness asked how many roads have 4" lines or less and do not have fire hydrants? Mrs. Haywood said she has a list. Mr. Maness said how many are not using. Mrs. Haywood said I am not sure. Chairman Maness asked for that information. Mrs.

Morton asked if he wanted that information from regular water, Water District I, Water District II, and Twin Harbor. Chairman Maness said the newest water lines.

Commissioner Bostic asked about the Reece Dennis situation. He said I spoke with Mr. Dennis and he said no one had been out to resolve the problem. Mr. Matthews said he and John Everette from the water plant went out and agreed where to extend the line to and they went out and extended the line within approximately 500 ft. of his property. Mr. Matthews said we went to the house and he never came out. Commissioner Bostic said he is handicapped. Mr. Matthews said he was unaware of that and he said he and Mr. Everette would go back out there again.

A list of comparisons was presented to the board for their review.

The board agreed to discuss these and other water policies at their next meeting.

Discussion of Sewer Operation Contract – John Everette

Mr. Matthews said staff has discussed contracting with American Water for the operation and maintenance of the Twin Harbor sewer collection system. Their proposed fee is \$207,000. This is about \$10,000 more than our engineer estimated if the county ran the operation ourselves. American has stated that this is an estimate and the actual costs may be lower, which they are prepared to honor. Mr. Carpenter presented the budget for this sewer issue.

(John Everette and Duane Dusay with American Water were present)

Commissioner Bostic said when these sewer lines were discussed the county wasn't going to have to put up any revenue. Mr. Carpenter said this is based on revenue.

Commissioner Morris asked Mr. Everette and Mr. Duane Dusay if they were going to hire any more help? Mr. Dusay said yes. Commissioner Corbett asked how many? Mr. Dusay said three. Mr. Corbett said that is \$65,000 per person. Mr. Carpenter explained that the capital outlay that is showing is the amount of revenue over expenditures.

Chairman Maness said this will help clean up the lake.

Commissioner Morris said this is serious; she was concerned with accidentally spilling sewage instead of flushing water lines. Mr. Matthews said there will be fines from the state for that. Mr. Everette and Mr. Dusay assured them of their experience.

Mr. Matthews asked if the board wanted to go in this direction? Commissioner Morris said not without a contract.

Commissioner Corbett said he had a call about low water pressure on Troy-Candor Road.

Commissioner Bostic said there is also a leak on Etta Drive.

Mr. Matthews asked Mr. Everette if he would go back out with him to Mr. Dennis' property. He said he would.

The board tabled this issue until the next meeting.

Discussion of Rural Center Grant – Dry Creek. - Tim Carpenter

Mr. Matthews said our consulting engineer; Tim Carpenter is present to discuss the County's application to the Rural Center for funds to run a water line to Dry Creek. We have to submit our application by September 30th for this round of funding. There are probably some documents (resolution) that we need to adopt /approve at the regular session.

Tim Carpenter presented the resolution to the Rural Center for a grant to run water to the Dry Creek area. He also presented a water conservation policy and requested the board approve it as well. He explained with the conservation policy, the county will receive 20 more points from the Rural Center if the conservation policy is approved.

Some members asked how often the county can apply for funds from the Rural Center. Mr. Carpenter said one per calendar year.

Commissioner Morris said we ought to apply for one a year.

Mr. Carpenter said they will announce the grant recipients in December.

The board agreed to carry this forward to the regular session.

Discussion of Library Salaries - Carol Walters

Mrs. Carol Walters and Mrs. Myra Taylor were present. Mrs. Walters explained that Charlie Gibbs retired May 31, 2003. The beginning salary for his replacement is \$17,796. There is a \$2,900 difference in the hiring rate and she said she is requesting to use that money to give an increase of \$2,000 to Linda Lamp and a \$450 increase to David Atkins and a \$450 increase to Linda Smith. She said it requires no budget amendment and no addition to the bottom line. She said these three staff members are key to the daily success of the library.

Commissioner Bostic said he doesn't want to be the bad guy, and he has always been a strong supporter of the library. He said if we give these increases, it will cause disgruntlement about our employees and he is not for the increase. He said if we give them an increase now, they will get another during budget time. Mr. Bostic said I am only one vote. He said if we agree with this we will be ran out of the county.

Mrs. Walters said this is an opportunity to address a need without taking away, she said it would be different if I was asking for additional appropriation. She said they are not at the top of the scale. She said this is a rare opportunity and I would hate to loose three valuable people.

Commissioner Knight said I wish all supervisors would do this. He said he wishes that Lee would encourage his other department heads to do the same. He said they come up here for changes in their budget to purchase pencils and paper. He said I think this is a great idea.

Chairman Maness said we will consider this and get back with you.

Discussion of Montgomery Transportation Advisory Committee

Russ Keeney from Randolph County Transportation along with other members of the Transportation Advisory Committee were present and introduced themselves to the board. The Committee presented the Memorandum of Understanding between the County and State Department of Transportation and requested approval.

The board agreed to carry this forward to the regular session.

Discussion of Exotic Animal Ordinance

Mr. Matthews presented the Draft of the Exotic Animal Ordinance to the board. He said that he along with Commissioner Corbett drafted the ordinance after reviewing several ordinances from other counties. He also said that County Attorney Russ Hollers has reviewed and approved the draft. He also suggested public hearings.

Mr. Glenn Henry was present. He said he owns the zoo at Uwharrie. He said he is licensed by USDA. He said his cages were built by specialist. He said the state veterinarian comes out to his site for visits, he doesn't transport the animals. He told the board they are welcome anytime to come and visit the cages would be clean.

Some members thought the issue needed to be dropped.

Commissioner Corbett said we need an ordinance because he knows for a fact that people are looking for areas without one. It is very important.

The board agreed to place this item of the next work session agenda.

Scattered Site Housing Permits

Mr. Matthews said that Commissioner Knight requested this be on the agenda. Mr. Knight explained that this Scattered Site Housing Grant we received does not cover some of the permit fees required like septic tank permits which are \$150. Mr. Knight requested that the board consider waiving the fee for these recipients.

The board discussed waiving all permit fees the grant money will not cover.

The board agreed to carry this forward to the regular session.

Discussion of Establishment of a Landfill Study Committee

Mr. Matthews said because of several issues (i.e. upcoming CPI clause in the landfill contract, approaching annual cap limits, and current landfill will be full by 2010) and my

lack of knowledge on some of these issues; I would like to recommend that the Commissioners allow me to form a landfill study committee. To be made up of business/industry leaders, landfill opponents, representatives for the towns, and landfill area residents. The role of the committee would be to study all issues of the landfill and report back to the commissioners. I would like to discuss this idea with the commissioner and get your feedback/input. He said the committee would consist of 7-11 members. He said the committee would look at all issues including long term.

Commissioner Corbett asked if this committee would study our needs or the other 33 counties that bring trash to the landfill? Mr. Matthews said our needs.

Commissioner Morris said all issues should be looked at.

Commissioner Knight asked who sets the rates and when is the last time we changed them? Chairman Maness and Commissioner Morris said the original rate was set in 1992 and then amended in 1998.

Commissioner Bostic said we were elected to look after the affairs of this county and it is our responsibility. He said you mentioned your lack of knowledge, it is your responsibility to find the knowledge and we pay you to steer us the way we need to go. He said if you have a committee you are going to get a bunch of people who are concerned about the environment. He said the landfill is one of the best investments this county has ever made. He said those people will not know how it affects the budget, land lease, etc. Mr. Bostic said it is your job to do whatever it takes. Mr. Matthews said that is what I am doing. He said I met with the landfill folks for several hours to try to educate myself.

Commissioner Bostic said Mr. Chairman, with all due respect, you need to reclude your self from this. Chairman Maness said if that is what the board wants. Mr. Bostic said this is nothing personal. Chairman Maness said he understands. He also thinks the committee is a good idea to meet with those for and against the landfill issue. Commissioner Morris said I don't think the Chairman should distance himself. Commissioner Bostic said we have to do what is right.

Chairman Maness said we need to dig deep into this issue.

Commissioner Bostic said I will agree to the committee if the commissioners choose the committee members. That would be a total of five and if you wanted a sixth member, then everyone put a name in a hat and the sixth one be drawn that way to take the politics out of it.

Commissioner Corbett said he remembers the last time the board had a public hearing regarding the landfill. He said Mrs. McCall got up and said if the landfill is such a damn good deal, why aren't others doing it?

Commissioner Knight said he doesn't think a person can be a jack of all trades.

Commissioner Morris said I think we should give Lee some names. Both Commissioner Morris and Commissioner Knight agreed that Mr. Matthews should choose the committee.

He said I just don't think that someone who has been in the county less than five years should decide on who should be on the committee. Chairman Maness said give him some names. Commissioner Morris said I think we should give Mr. Matthews the names and let him choose eleven.

It was suggested that Commissioner Bostic be a member of this committee.

The consensus was to allow Mr. Matthews to form a landfill study committee.

County Manager's Report

Troy Town Hall

Mr. Matthews presented the following memo to the board:

MEMORANDUM

TO: MONTGOMERY COUNTY BOARD OF COMMISSIONERS

FROM: LEE MATTHEWS, COUNTY MANAGER

SUBJ: TROY TOWN HALL

DATE: SEPTEMBER 16, 2003

We have received a proposal from the Town of Troy to purchase their current Town Hall Building for \$300,000.00. I have contacted BB&T Governmental Finance for a budget quote on a 15 year lease purchase. The interest rate would be 4.09% for an annual payment of \$26,791.00. The county would use this facility to house the Economic Development/Chamber of Commerce offices, as well as set up a collections center to receive tax and water bill payments. We would take advantage of the facilities drive-thru window to ease taking payments from the public. This would alleviate traffic/parking problems at the Courthouse/county administration building, as well as alleviate the need for the general public to use the stairs/elevator at the county administration building. We do not anticipate having to hire any new positions for the new facility. We plan on moving two of our current water staff to this location and cross train these individuals as well as one of the EDC/Chamber staff to take tax/water payments.

I anticipate allocating all of the funds for this project to the county's water fund. I think it might be possible to generate some off-setting revenue by charging some rent to the EDC/Chamber. Mrs. Steven's has informed me that she thought they could pay \$200-\$300 per month in rent. As an alternative to purchasing the building outright, the Town has offered to let us lease/purchase it from the town at no interest. Please see the attached sheet for details of their proposal.

While they don't expect us to make a final decision today, we probably need to make some decisions by our next meeting, as they will need to make other arrangements if we're not interested.

Mr. Matthews explained that this morning (September 16) Town Manager Jamie Justice came with the following lease/purchase agreement between the Town of Troy and Montgomery County:

Proposed Lease – Five (5) Year Initial Term with 3 Renewable Terms

\$300,000	@	No Interest for 20 Years	\$1,250.00 per month
		57% of Monthly Lease	\$ 712.50 Toward Purchase
		43% of Monthly Lease	\$ 537.50 Maintenance
Annual Lease Total		\$15,000.00	
Annual Maintenance Fee		\$ 6,450.00	
		\$ 8,550.00 Toward Purchase Annually	

*Tenant Responsible for Utilities and Minor Repairs

Town Responsible for Grounds Upkeep, Insurance and Major Repairs

**All Payments Stay with Town if County Does Not Purchase Building

***Option To Purchase May Be Exercised by the County at any Time

Commissioner Corbett asked Mrs. Judy Stevens what she is paying for rent now? She said \$400/month. Mrs. Stevens explained they need a better place. There facility now is not handicapped accessible.

Montgomery Herald Editor Tammy Dunn said it is so tight in that building, there is no room. She explained that we tried to welcome the 200th member into the Chamber this morning and you could not move and a picture inside was not possible.

Mrs. Stevens said we need a better presence.

Commissioner Bostic said you do need a better place and I would love for you to have it, however, we have to have a jail. If we put anything in front of the jail it would be bad. Mr. Bostic said if we are going to spend \$300,000 it needs to be on the jail.

Jail Proposals

Mr. Matthews presented the following memo:

MEMORANDUM

TO: MONTGOMERY COUNTY BOARD OF COMMISSIONERS
FROM: LEE MATTHEWS, COUNTY MANAGER
SUBJ: JAIL PROJECT
DATE: September 16, 2003

The anticipated cost of a new 90 bed jail is \$6,000,000.00. This does not include any land costs. It is assumed that a new facility will be built on land owned by the County, adjacent to the Agricultural Center on Glenn Road. US Rural Development Center can loan the county up to \$1,000,000.00 for 40 years at an interest rate of 4.625%. These funds can be used for furnishings for the new jail, but not for actual construction costs. The remaining \$5,000,000.00 can be borrowed as a lease purchase for 20 years. I have received the following quotes:

BB&T	4.39%
First Bank	3.75%
TransCapital	4.125%.

The annual debt service payment will be around \$500,000.00 per year for 20 years.

The county has the following debts/expenditures retiring in the next three years:

Fire Truck lease purchase	\$214,700.00
Economic Development Incentives	<u>315,000.00</u>
	\$529,700.00

The County has no current debt service retirements until 2010 at the earliest.

I recommend that the Montgomery County Board of Commissioners consider contracting with a financial consultant to perform a Financial Feasibility Study for the new jail project. The consultant can look at what options are available to us for financing and what all the financial issues are. They can perform a financial analysis that can consider tax rate implications. They can tell us what the average cost per square foot should be for our project. They can put us in the driver's seat with the architect, i.e. we tell the architect what we want and not the architect telling us what they want (we drive the project rather than the architect driving the project)

I have taken the liberty of talking with a consultant to get some preliminary cost. Such a study can be done for less than \$4,000.00 and take 60 to 90 days. These funds are already included in the jail study we included in this year's budget.

Chairman Maness asked the board to think about this for the next meeting.

Airport Height Ordinance

Mr. Matthews said this Airport Height Ordinance came in after the agenda was prepared. He explained the ordinance and the board agreed to carry it forward to the regular session.

Items Carried Forward to the Regular Session

- Resolutions for Dry Creek Road for the Rural Center Grant
- Memorandum of Understanding – Transportation
- Scattered Site Housing Permit Fees Waived
- Airport Height Ordinance

There being no further business, the meeting was adjourned.

William D. Maness, Chairman

Laura B. Morton, Clerk to the Board